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Wong: Secret CIA phone got only wrong numbers

By Walter Wright

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Ronald Rewald's business partner, Sunlin Wong, testified yesterday he installed the secret telephone for the CIA, just like Rewald told him to.

But nobody ever called.

Well, some people called, he said, but it was always a wrong number.

Wong said he also set up the secret telex machine for the CIA, and then used it to make his honeymoon hotel reservations.

Bills for those honeymoon telex messages — to Norway, Hong Kong, Taiwan and the Philippines — were later touted by some reporters as evidence of the CIA's far-flung use of Bishop Baldwin Rewald Dillingham & Wong.

Rewald, on trial in federal court on 98 counts of fraud, tax evasion and perjury, admits he took in \$22 million of investors' money under false pretenses. But he claims the CIA told him to set up the firm for spying, promised to reimburse expenses for his cover as a wealthy businessman, then chose to "cut and run" when the cover was blown.

The CIA says its financial connection with Rewald and his firm was limited to the telephone and telex which Wong described in court yesterday, and to some stationery and business cards.

The CIA says it reimbursed the company \$2,900 for the bills incurred.

The telephone and telex machines, Wong testified, were supposed to be answered in the name of one of two "cover" companies that undercover CIA agents might describe as their employer.

Wong said Rewald told him he was working for the CIA and that both of them could earn up to \$10,000 a throw for submitting reports to the CIA on countries and individuals it was interested in. He said he never got such a payment.

Wong testified Rewald told him to set up the telephone and telex first at the Amfac Building for a bogus company called "H&H Enterprises." He said Rewald gave him basic financial information about the CIA cover company, and said if he or secretary Linda Sutton ever answered the phone they were to give the company name and be prepared to answer basic questions about it.

Later, after the telephone kept ringing for a real company with a similar name, the listing was changed to Canadian Far East Trading Company, with similar "backstop" information, Wong said.

Wong — now serving a two-year federal prison sentence at Lompoc, Calif., for mail and securities fraud in the case — flatly contradicted Rewald's earlier sworn statements that Rewald and Wong came up with the name of Bishop Baldwin.

And Wong did not support Rewald's claim that Eugene Welch, then the one-man staff of the CIA's public Domestic Collection Division office in Honolulu, told Rewald, Wong and secretary Sue Wilson to make false statements about Bishop Baldwin.

But Wong indicated he later thought some of the fictitious names in the letterhead were "being used" by unidentified individuals.

Wong said he met Rewald, a Milwaukee sporting goods dealer, on a Hawaii Kai tennis court in 1977.

Wong, who was a real estate

broker at the time, said he helped Rewald buy his first home in Hawaii (the seller was former Cambodian prime minister Lon Nol) for \$157,000, and then agreed to share office space with Rewald in the Amfac Building.

In 1978, he said, Rewald asked Wong to join him in a "management consulting" firm. Wong indicated he never knew why the firm was being set up, or exactly what it did, but went along because it wasn't costing him much money and he didn't expect to have to do anything in connection with it.

Initially, Wong said, he, Rewald and attorney Dana Smith were the officers and directors of the firm.

When he remarked that the Bishop Baldwin name seemed "pretty long," Wong recalled, "Rewald said it was impressive and these were kamaaina names." He said he asked who the figures were, but Rewald didn't answer.

Later, he said, he drafted a press release at Rewald's request announcing the death, by massive heart attack, in the Philippines, of "Grant Randall

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Rewald firm trustee keeps legal options open on CIA

The trustee for Ronald Rewald's bankrupt company confirmed yesterday he has filed a \$15 million administrative claim against the CIA to protect his chance to sue the agency for damages later.

Bankruptcy administrator Thomas Hoyer has said in the past he was investigating to determine if the CIA could be found negligent for failing to learn of or

warn about fraudulent activities in the firm.

He said he is following Rewald's criminal trial to see what it reveals about the CIA connection.

Hoyer added that the claim had to be filed early this month lest a two-year statute of limitations expire and prevent the use of evidence that might be developed in the future.

Dillingham," described as having "played an important role in the growth and success" of Bishop Baldwin.

Wong said he went to Los Angeles and pretended to attend "Dillingham's" funeral.

The prosecution asked Wong about a Rewald letter mentioning yet another fictional Dillingham, this one a William.

The October 1978 letter was to Rewald's "Dear Aunt Bea," a crippled Milwaukee widow who eventually lost nearly \$150,000 invested in Rewald's firm.

Rewald and Wong were trying to find Mrs. Beatrice Borkenhagen a home in Hawaii. Wong said Rewald once asked

him to bribe a Waikiki fortuneteller Borkenhagen consulted, to tell Borkenhagen she would buy a home on her current trip to Hawaii. But, Wong said, the fortuneteller wouldn't take the \$50 bribe.

In the letter, Rewald referred to a "very unique investment opportunity" for her: "I have been asked to merge my interest in CMI Investments into Bishop and Baldwin of Honolulu. I had recently been doing some work for them through Sunny Wong's firm, which has recently been acquired by them (Bishop and Baldwin), along with William Dillingham's firm."

Wong said none of that was true, and that there was no Dillingham.

But Wong said he went along with the "death" of Grant Randall Dillingham because he assumed that "someone was using the Dillingham name."

He made that assumption, he said, because secretary Wilson once told him somebody was using the name James Bishop. There have been claims that CIA officer C.L. Richardson used the Bishop name.

Wong, asked if he ever met anyone connected with the CIA, said he met "Rick" Richardson for about five minutes in Rewald's office in 1982.

He said Rewald had introduced the same man to him in his office in 1980 as "Richard Cavannaugh," after telling Wong privately that "Cavannaugh" worked for the CIA.

He said he had only "small talk" with Richardson, and that they didn't discuss Bishop Baldwin or the CIA.

In 1983, Wong said, Rewald asked him to back-date corporate records to make it appear as if "James T. Bishop" and "Robert J. Baldwin" had attended 1978 corporate meetings, but Wong refused after learning it was illegal.

He said he had seen company documents listing Baldwin as a resident of Chicago, Dillingham as a resident of Washington, D.C., and Bishop as a resident of Beverly Hills.